

**MANSURA VOLUNTEER
FIRE DEPARTMENT, INC.**

Financial Report

For the Year Ended June 30, 2013

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ACCOUNTANT'S REPORT

To the Board of Directors
Mansura Volunteer Fire Department, Inc.
Mansura, Louisiana

I have compiled the accompanying balance sheet of the Mansura Volunteer Fire Department, Inc. (a nonprofit organization), as of June 30, 2013, and the related statements of activities and cash flows for the year then ended. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The supplementary information appearing on pages 11 and 12 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been compiled from information that is the representation of management. I have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurances on such supplementary information.


Roy K. Derbonne, Jr.
Certified Public Accountant

Alexandria, Louisiana
December 8, 2013

FINANCIAL STATEMENTS

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.
Mansura, Louisiana

STATEMENT OF FINANCIAL POSITION
(UNAUDITED)
JUNE 30, 2013

	<u>TOTAL</u>
ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 71,879
Accounts Receivable	72,112
Total Current Assets	<u>143,991</u>
FIXED ASSETS	
Building and Improvements	308,331
Equipment	652,125
Trucks	973,107
Construction in Progress	5,000
Total Fixed Assets	<u>1,938,563</u>
Less: Accumulated Depreciation	<u>(1,224,360)</u>
Net Fixed Assets	<u>714,203</u>
TOTAL ASSETS	<u><u>\$ 858,194</u></u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Current maturities of Long-Term Debt	\$ 29,893
Accounts Payable	8,642
Accrued Interest Payable	15,949
Total Current Liabilities	<u>54,484</u>
LONG-TERM LIABILITIES	
Notes Payable (Net of Current Portion)	<u>409,353</u>
Total Liabilities	<u>463,837</u>
NET ASSETS	
Unrestricted Net Assets -	
Operations	135,349
Fixed Assets	259,008
Total Unrestricted Net Assets	<u>394,357</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 858,194</u></u>

See Accountants' Report.

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.

Mansura, Louisiana

STATEMENT OF ACTIVITIES

(UNAUDITED)

FOR THE YEAR ENDED JUNE 30, 2013

SUPPORT AND REVENUE

Support - Fundraiser - Net	\$	2,629
Revenue		
Ad Valorem Taxes		13,680
Intergovernmental Revenue		
Federal		3,414
2% Fire Insurance Rebate		72,333
Sales Tax Revenue		63,876
Avoyelles Parish Police Jury		810
Town of Mansura		20,000
Interest		98
Miscellaneous		5,250
Total Revenue		<u>179,461</u>
Total Support and Revenue		182,090

EXPENDITURES

Depreciation	103,956
Training	2,718
Interest	13,178
Insurance	24,498
Office	2,064
Repairs	14,109
Supplies	5,690
Telephone	2,179
Legal and Professional	1,275
Meeting Expense	2,199
Utilities	5,764
Uniforms	906
Fireman's Per Diem	2,965
Conference Expense	4,786
Fuel	3,202
Equipment Testing	7,235
Banquet	2,829
Other	1,685
Total Expenses	<u>201,238</u>

CHANGE IN NET ASSETS	(19,148)
NET ASSETS, BEGINNING OF YEAR	<u>413,505</u>
NET ASSETS, END OF YEAR	<u>\$ 394,357</u>

See Accountants' Report.

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.

Mansura, Louisiana

STATEMENT OF CASH FLOWS

(UNAUDITED)

FOR THE YEAR ENDED JUNE 30, 2013

CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:

Change in Net Assets	\$ (19,148)
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Adjustments to Reconcile Change in Net Assets
to Net Cash Provided by Operating Activities:

Depreciation	103,956
(Increase) Decrease in Accounts Receivable	(24,737)
Increase (Decrease) in Accounts Payable	(4,359)
Total Adjustments	<u>74,860</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES	55,712
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CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of Building and Improvements	(169,257)
Decrease in Construction in Progress	12,701
Purchase of Truck	(27,464)
Purchase of Equipment	(12,266)
NET CASH USED BY INVESTING ACTIVITIES	<u>(196,286)</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Increase in Accrued Interest Payable	3,398
Proceeds of Long-Term Financing	150,075
Payment of Principal on Notes Payable	(36,426)
NET CASH USED BY FINANCING ACTIVITIES	<u>117,047</u>

NET DECREASE IN CASH AND CASH EQUIVALENTS	(23,527)
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CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>95,406</u>
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CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 71,879</u></u>
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See Accountants' Report

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.
Mansura, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

Fire Department

The Mansura Volunteer Fire Department, Inc. (Fire Department) was incorporated on September 12, 1988 as a nonprofit corporation as defined in Louisiana Revised Statutes of R. S. 1950 Title 12, Chapter 2, as amended. The Fire Department operates under a Board of Directors consisting of a president, vice-president, and secretary-treasurer. Board members are elected on an annual basis. The members of the Mansura Volunteer Fire Department vote on all matters brought before the Board. The Fire Department serves approximately 1,944 structures and meetings are held monthly. The following is a summary of certain significant accounting policies.

A. Financial Statement Presentation:

The Fire Department adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Fire Department is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions.

The Fire Department also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made" in accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. In addition, the Fire Department has not received any contributions with donor-imposed restrictions that would result in temporarily or permanently restricted net assets.

B. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

C. Cash Equivalents

Cash equivalents consist of short-term, highly liquid investments, which are readily convertible into cash within ninety (90) days of purchase.

D. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1st and are due and payable on or before December 31. All unpaid taxes become delinquent January 2 of the following year. The taxes are assessed by the Avoyelles Parish Assessor's Office and collected by the Avoyelles Parish Sheriff's Office. The taxes are then remitted to the Avoyelles Parish Police Jury on behalf of Fire Protection District No. 2. The Fire Department is one of 14 members in this District. After deducting a fee of \$40,000 to defray the expenses of the Board of Commissioners of the Fire Protection District, each member is guaranteed a base amount of \$25,000. Any remaining funds are distributed to the members on a basis of structures served.

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.
Mansura, Louisiana

Notes to Financial Statements

E. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

F. Fixed Assets

Fixed assets acquired by the Fire Department are considered owned by it.

The Fire Department follows the practice of capitalizing, at cost, all expenditures for fixed assets. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets generally as follows:

Building and improvements	10 - 40 years
Furniture and equipment	5 - 25 years
Vehicles	5 - 20 years

The net fixed asset balance has been recorded as a separate component in unrestricted net assets.

G. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(2) Deposits and Investments

Deposits

At year-end, the carrying amount of the Fire Department's deposits was \$71,879 and the bank balance was \$71,956. Of the bank balance, \$71,802 was covered by federal depository insurance. Of this amount, \$17,588 was tax monies, which is required to be expended on fire equipment and supplies.

Certificates of Deposit

The Fire Department had no Certificates of Deposit at June 30, 2013.

(3) Accounts Receivable

The Billed receivable balance at June 30, 2013 of \$72,112 consisted of property taxes due from the Fire Protection District No. 2 in the amount of \$60,786, from sales taxes in the amount of \$11,056 and \$270 due from the Avoyelles Parish Police Jury.

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.
Mansura, Louisiana

Notes to Financial Statements

(4) Fixed Assets

A summary of changes in Property, Plant and Equipment are as follows:

	Balance 6/30/12	Additions	Deletions	Balance 6/30/13
Land and buildings	\$ 139,075	\$ 169,256	\$ -	\$ 308,331
Equipment	639,858	12,267	-	652,125
Trucks	945,643	27,464	-	973,107
Construction in Progress	17,701	5,000	17,701	5,000
Totals	<u>\$ 1,742,277</u>	<u>\$ 213,987</u>	<u>\$ 17,701</u>	<u>\$ 1,938,563</u>

(5) Changes in Long-term Debt

The following is a summary of note transactions of the Fire Department for the year ended June 30, 2013:

Notes payable at 06/30/12	\$ 325,598
Debt issued	150,075
Principal payments	<u>(36,427)</u>
Notes payable at 6/30/13	<u>\$ 439,246</u>

Notes payable (current and long-term portions) are financed with Farmers Home Administration, Natchitoches, Louisiana.

Notes payable at June 30, 2013 consist of the following individual liabilities:

Government Capital Organization - \$150,699 note dated August 1, 2010 due in annual installments of \$16,876; interest at 4.85 per cent per annum; maturing in 2022; and is secured by pumper tanker. \$ 131,101

Government Capital Organization- \$174,698 note dated November 11, 2012 due in annual installments of \$19,999; interest at 5.2590 per cent per annum; maturing in 2025; and is secured by pumper tanker truck. 163,886

Red River Bank- \$150,075 unsecured note dated September 5, 2012 due in monthly installments of \$1,076 interest at 3.5 per cent per annum; maturing in 2027. 144,259

Total Notes Payable 439,246

Less Current Portion (29,893)

Long-term Portion \$ 409,353

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.
Mansura, Louisiana

Notes to Financial Statements

The annual requirements to amortize all notes outstanding at June 30, 2013 are as follow:

Period Ending June 30,	Principal	Interest	Total
2014	\$ 29,893	\$ 19,898	\$ 49,791
2015	31,286	18,506	49,792
2016	32,744	12,703	45,447
2017	34,273	11,480	45,753
2018	35,875	13,916	49,791
2019-2023	205,948	42,745	248,693
2024-2027	69,227	4,841	74,068
Totals	<u>\$ 439,246</u>	<u>\$ 124,089</u>	<u>\$ 563,335</u>

(6) Retirement Commitments

Individuals who serve the Fire Department are volunteers; therefore, there is no liability for retirement benefits.

(7) Commitments and Contingencies

As of June 30, 2013 there were no lawsuits against the Fire Department.

(8) Litigation

As of June 30, 2013 there were no lawsuits against the Fire Department.

(8) Federal and State Grants

The Fire Department received a forestry grant for the purchase of equipment in the amount of \$3,414. The total cost of the grant has not been expensed as of June 30, 2013.

SUPPLEMENTAL INFORMATON

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ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Mansura Volunteer Fire Department, Inc.
Mansura, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Mansura Volunteer Fire Department, Inc. and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Mansura Volunteer Fire Department, Inc.'s compliance with certain laws and regulations during the year ended June 30, 2013 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedure engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of Federal, state and local award expenditures for the year by grant and grant year.

The Volunteer Fire Department received \$3,414 of federal grant money. Expenditures of the grant funds will occur in the next fiscal year in accordance with the grant requirements.

Meetings

2. Examine evidence indication that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:12(the open meeting law).

Management provided me with the newspaper clippings announcing the Fire Department meetings and I observed the notice posted on the fire station building.

Comprehensive Budget

3. For all grants exceeding five thousand dollars, determine that each applicable federal, state, or local grantor agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants that included specific goals and measures of performance.

Mansura Volunteer Fire Department, Inc.
received a grant in the amount of \$3,414. All
grant requirements were followed with respect
to that specific grant.

Prior Comments and Recommendations

4. Review prior year suggestions, recommendations, and/or comments and indicate the extent to which such matters have been resolved.

There were no prior year comments and/or
suggestions to review.

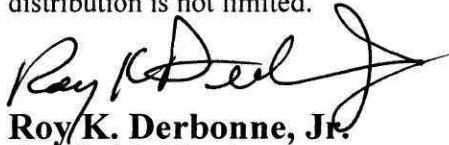
Other Compliance Matters

5. Review expenditures paid with ad valorem tax monies to determine that expenditures were spent in accordance with the tax issue approved by voters.

I reviewed all expenditures paid with tax monies
and noted all expenditures were for equipment,
buildings, supplies and training in accordance
with the ad valorem tax issue.

I was not engaged to and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Mansura Volunteer Fire Department, Inc. and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



Roy K. Derbonne, Jr.
Certified Public Accountant

Alexandria, Louisiana
December 18, 2013